



June 19, 2002

Major Companies Sponsoring G.O.P. Fund-Raiser Tonight

By RICHARD A. OPPEL Jr.

WASHINGTON, June 18 — As lawmakers battle over a prescription drug bill, pharmaceutical and health-care concerns are providing major support for a fund-raiser scheduled for Wednesday night that is expected to raise more than \$20 million for Republican candidates in this year's Congressional election.

Sponsors of the event, which features a speech by President Bush, include GlaxoSmithKline, the multinational drug giant, as well as others in the pharmaceutical industry, a Republican official said.

The drug industry, though well represented, is not alone. Other major corporate sponsors include Microsoft and Pepsico, this official said.

In a letter to potential donors, Senator Bill Frist of Tennessee, who heads the National Republican Senatorial Committee, emphasized the objective of returning the Senate to Republican control. Among other things, Mr. Frist said, regaining the Senate would allow the party to "relax the stranglehold of rules, regulations and restrictions on American business."

The event is emblematic of efforts by both major political parties to raise as much "soft money" as they can before November, when a new campaign-finance law is to take effect.

The law, championed by Senators John McCain, Republican of Arizona, and Russell D. Feingold, Democrat of Wisconsin, was written to eliminate the use of soft money — the unlimited and largely unregulated gifts from corporations, unions and others — in national elections.

On Wednesday, federal election regulators are expected to begin voting on rules to enact the soft-money provisions of the law. Last month, the Federal Election Commission proposed rules that the law's sponsors complained would gut their bill.

This week, the commission released revisions concerning soft-money restrictions. After reviewing the changes, advocates of a ban on soft money said that while some provisions had been tightened, large loopholes remain.

In a statement today, the four principal sponsors of the law — Senators

McCain and Feingold, as well as Representatives Martin T. Meehan, Democrat of Massachusetts, and Christopher Shays, Republican of Connecticut — concluded that "the rules are better than they could have been, but still fall far short of what they need to be."

"The regulations that the F.E.C. commissioners will vote on tomorrow," they said, "unfortunately leave open the question of whether two critical goals of the new law will be achieved — to prevent state parties from using soft money to influence federal elections and to prevent federal candidates and officeholders from raising, spending, or receiving soft-money contributions."

"The F.E.C.'s duty is to enforce and implement the law, not rewrite it, or create loopholes in it," the four sponsors added.

Notably, supporters of the law remain concerned about a proposed rule that would allow donors of soft money to reroute their contributions through state parties, which could then pay for sham "issue ads" that are really thinly veiled attack ads on candidates for federal offices.

In its notice on Monday, the commission's staff proposed deferring a decision on this rule for more study.

In an interview today, the commission chairman, David Mason, said the commission was far from decided about what the new rules would say. The panel might even approve language on Wednesday governing the sort of television commercials that state parties can use soft money to pay for, he said. "I'm expecting a number of amendments, and a vigorous discussion," Mr. Mason said.

The Republicans plan to divide the proceeds of Wednesday's fund-raiser — much of it in soft money — between its Congressional and Senate campaign committees. The goal had been \$20 million, but "at this point it's a question of how much we'll exceed that," Carl Forti, a spokesman for the National Republican Congressional Committee, said.

Democrats plan to hold a news conference on Wednesday complaining that the timing of the fund-raiser was inappropriate because of the debate over the drug legislation.

Mr. Forti responded that Democrats also took large contributions from drug makers. "The money doesn't just flow one way," he said.

Nancy Pekarek, a spokeswoman for GlaxoSmithKline, which is based in London, said the company was donating \$250,000 to the dinner.

The company's chief operating officer, Bob Ingram, is a close friend of Representative John A. Boehner, an Ohio Republican who is a co-chairman of the dinner, Ms. Pekarek said. She also said that the company donates to Democratic campaigns.

But, she added: "We also find that Republicans, though not exclusively, will support the type of business environment that is necessary to fund the very high-risk research that requires huge amounts of investment."

[Copyright 2002 The New York Times Company](#) | [Permissions](#) | [Privacy Policy](#)